

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2005-299-C - ORDER NO. 2005-745
DECEMBER 19, 2005

IN RE:	Application for Expedited Approval of MCI,)	ORDER APPROVING
	Inc. for Grant of Authority Necessary for the)	TRANSFER OF ASSETS
	Transfer of Assets of MCI WorldCom)	
	Network Services, Inc. to MCI WorldCom)	
	Communications Services, Inc.)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of MCI, Inc. (MCI) on behalf of its subsidiaries, MCI WorldCom Network Services, Inc. (MCI Network Services) and MCI WorldCom Communications Service, Inc. (MCI Communications Services) (together, the Applicants), for such authority as may be necessary or required for the transfer to MCI Communications Services of certain assets of MCI Network Services related to its provision of telecommunication services. According to the Application, this transaction is another step in MCI's effort to streamline its corporate structure, achieve cost savings and eliminate any administrative duplication. The transaction is expected to be completed by December 31, 2005. The Application reveals that the transaction is an essential aspect of MCI's continued plans to streamline its corporate structure and allow it to operate in a more efficient manner. The transaction will result in MCI Network Services' assets, facilities and wholesale customer contracts involving long distance telephone, data and Internet services, being transferred to MCI Communications Services. MCI Network

Services has no retail customers. All customers served by MCI Network Services' facilities, and pursuant to contract with MCI Network Services, will be served by MCI Communications Services after the transfer of the assets. MCI Communications Services has all authority necessary to provide the services currently provided by MCI Network Services. No new authority is being requested. MCI, Inc., the ultimate parent of both companies, will retain control of both subsidiaries. There is no change of ownership of certificates of authority. MCI Network Services, Inc. is retaining its certificates and is not asking for the cancellation of authority at this time. According to the Application, the transfer of the assets and customers will not adversely affect the provision of services in South Carolina. Wholesale customers will receive the same services at the same high quality from MCI Communications Services that they currently receive from MCI Network Services. No changes will be made to the rates, terms and conditions or service offerings; only the name will change, and all branding will still remain MCI, making the transfer of assets transparent to all customers.

Pursuant to the instructions of the Commission's Docketing Department, the Applicants published a Notice of Filing in newspapers of general circulation in affected areas. No Protests or Petitions to Intervene were received. Accordingly, the Applicants have requested Expedited Review and have filed the verified testimony of Joseph Dunbar, Senior Manager, Regulatory Compliance and Reporting, to support the Application. We grant Expedited Review.

The Joseph Dunbar testimony affirms the information in the initial paragraph of this Order. As Dunbar testified, the purpose of the transaction is to simplify and

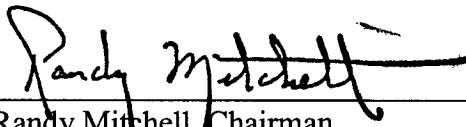
streamline MCI's corporate organization. Again, MCI Network Services' assets will be transferred to MCI Communications Services. All customers served by MCI Network Services facilities, and pursuant to contract with MCI Network Services, will be served by MCI Communications Services after the transfer of assets. Dunbar noted that MCI Communications Services has all authority necessary to provide the services currently provided by MCI Network Services. No new authority is being requested. MCI, Inc., the ultimate parent of both companies, will retain control of both subsidiaries. There is no change of ownership of certificates of authority.

Dunbar notes that the transfer will be transparent to the end user and will not have any impact on the service provided to MCI Network Services' customers. The transfer of the assets and customers will not adversely affect the provision of services. No changes will be made to the rates, terms and conditions or service offerings. Only the name will change and all branding will still remain MCI, making the transfer of assets transparent to all customers.

We have considered the entire record of this case, including the Application and the verified testimony, and have concluded that the Application should be approved as filed. The assets of MCI Network Services may be transferred to MCI Communications Services as requested. No new authority is being requested, and it appears that the transfer will be transparent to the customers. The customers will only see a name change, not a change in rates, terms, conditions, or service offerings. The requested transfer is a reasonable one.

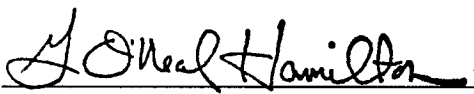
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Randy Mitchell, Chairman

ATTEST:



G. O'Neal Hamilton, Vice Chairman

(SEAL)